

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Administrative Office	(2) MEETING DATE 10/6/2015	(3) CONTACT/PHONE Dan Buckshi, County Administrative Officer 781-5011	
(4) SUBJECT Introduction of ordinances to amend the County Code by dissolving the Department of General Services, creating the Department of Central Services, and transferring responsibility for building maintenance, facility planning, and architectural services to the Department of Public Works. Hearing date set for October 20, 2015. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board introduce and set the following ordinances for hearing on October 20, 2015: <ol style="list-style-type: none"> 1. Amend Chapter 2.11 Sections .010-.030 and .051, and add .060 to the County Code related to dissolution of the Department of General Services and creation of the Department of Central Services; 2. Amend Chapter 2.18 Section .040 of the County Code related to the duties of the Director of Public Works being expanded to include building maintenance and architectural services; 3. Amend Chapter 2.40 Section .060 of the County Code related to elimination of the position of Director of General Services and creation of the position of Director of Central Services; 4. Amend Chapter 19.01 Section .030 of the County Code to remove the General Services Agency Director as a deputy building official. 			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? N/A	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: <u>October 7, 2014</u> (Dissolution of General Services Agency)	
(17) ADMINISTRATIVE OFFICE REVIEW This item was prepared by the Administrative Office.			
(18) SUPERVISOR DISTRICT(S) All Districts.			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Administrative Office / Dan Buckshi, County Administrative Officer 781-5011

DATE: 10/6/2015

SUBJECT: Introduction of ordinances to amend the County Code by dissolving the Department of General Services, creating the Department of Central Services, and transferring responsibility for building maintenance, facility planning, and architectural services to the Department of Public Works. Hearing date set for October 20, 2015. All Districts.

RECOMMENDATION

It is recommended that the Board introduce and set the following ordinances for hearing on October 20, 2015:

1. Amend Chapter 2.11 Sections .010-.030 and .051, and add .060 to the County Code related to dissolution of the Department of General Services and creation of the Department of Central Services;
2. Amend Chapter 2.18 Section .040 of the County Code related to the duties of the Director of Public Works being expanded to include building maintenance and architectural services;
3. Amend Chapter 2.40 Section .060 of the County Code related to elimination of the position of Director of General Services and creation of the position of Director of Central Services;
4. Amend Chapter 19.01 Section .030 of the County Code to remove the General Services Agency Director as a deputy building official.

DISCUSSION

The General Services Agency was dissolved on October 7, 2014. The dissolution of the Agency created four separate departments (General Services, Information Technology, Airports, and Parks and Recreation), which allowed for more direct oversight and enabled staff to focus on specific operational areas. The goals of the dissolution of the Agency were to improve services in several key areas, including strengthening the management of the County's capital projects program.

Since dissolution, it has become apparent that facilities maintenance and management would be better aligned with the Department of Public Works, forming a unified structure responsible for all County facilities, including roads, bridges, buildings, and water and wastewater systems. This transition involves the Department of Public Works broadening their oversight and management of the County's infrastructure. It also includes forming a new Department of Central Services to focus on internal services which interface with all other departments. With this reorganization, the divisions of building maintenance and architectural services will move to the Department of Public Works, while the divisions of real property services, purchasing, central mail, and fleet services will comprise the Department of Central Services.

County Code Changes

This item introduces and sets for hearing the necessary ordinances to amend the County Code to enable the dissolution of the Department of General Services, the creation of the Department of Central Services, and the transfer of facility maintenance and architectural services responsibilities to the Public Works Department. The proposed code changes also clean up one remaining item regarding employing the Department of Planning and Building's existing building code review process for buildings. The proposed ordinances are included as Attachments 1-8. A summary of the necessary changes is as follows:

Code Sections to be Amended	
Code Section	Summary of Changes
2.11.010 – Central Services office and department created	Eliminates the Department of General Services and creates the Central Services Department. The Director of Central Services will act as the Purchasing Agent, pursuant to Chapter 2.36 of the County Code. The Director will be appointed by, and serve at the will and pleasure of, the County Administrative Officer, at a salary to be set by the Board.
2.11.020 – Qualifications of Director of Central Services	Reflects qualifications of the Director of Central Services rather than the Director of General Services.
2.11.030 – Duties of Director of Central Services	Reflects duties of the Director of Central Services rather than the Director of General Services.
2.11.051 – Permit requirements	Reflects that the film permit “issuing agency” shall be the Director of Central Services rather than the Director of General Services.
2.18.040 – Duties of Director of Public Works	Includes responsibility for building and facilities maintenance and architectural services among the duties of the Director of Public Works.
2.40.060 – Classified and unclassified service	Eliminates the position of Director of General Services and adds new position of Director of Central Services.
19.01.030 – Administration	Eliminates the General Services Agency Director as a deputy building official for County-owned buildings. The Public Works Department will use the existing building review process under the Department of Planning and Building for review of buildings.
Code Sections to be Added	
Code Section	Summary of Changes
2.11.060 – Reference of Director of General Services	Clarifies that any references to Director of General Services or General Services Agency in documents prior to the ordinance shall mean the same as Director of Central Services, except as pertains to the duties which are being transferred from the Director of General Services to the Director of Public Works.

Per Government Code §25123, the ordinances cannot be effective for at least 30 days from the date of final passage. If your Board approves the changes on October 20, 2015, changes would take effect on November 19, 2015.

Changes to Positions

At the October 20, 2015 hearing, your Board will also be asked to approve necessary changes to the Position Allocation List (PAL) for Fund Center 113 (currently General Services), 405 (Public Works), and a new Fund Center 116 (Central Services). These changes will include the following:

- Moving all Central Services positions to a new Fund Center 116 PAL;
- Deleting the Director of General Services position allocation from Fund Center 113;
- Creating and setting the salary for the new Director of Central Services position for Fund Center 116;
- Adding one Administrative Assistant position to the Fund Center 405 PAL;
- Converting one existing Capital Planning/Facilities Manager to an Engineer IV; and
- Converting the Deputy Director of General Services to Deputy Director of Public Works and transferring the position from the Fund Center 113 PAL to the Fund Center 405 PAL.

All remaining positions that were in General Services but will now be managed by and incorporated into the Public Works organization will remain in Fund Center 113. This will include building and facility maintenance, architectural services, and two financial positions. Fund Center 113 will then become a Public Works-managed fund center.

A full discussion of the financial impacts and the above position changes will be brought before your Board on October 20, 2015.

Creation of New Fund Center

As mentioned above, the reorganization will involve establishing a new department. In order to financially manage the department, a new fund center will be established (FC 116). Therefore, on October 20, 2015, your Board will also be requested to authorize the Auditor to transfer any unspent appropriations as of December 31, 2015 from Fund Center 113 to the new Fund Center 116 for the divisions which will move to the Department of Central Services.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel, Human Resources, General Services, and Public Works have assisted in the development of the proposed ordinances to amend the County Code. County Counsel has reviewed the ordinances as to form and legal effect. Human Resources is currently conducting a salary study to determine the appropriate salary range for the new Central Services Director position, and is preparing the resolutions to make necessary amendments to affected Position Allocation Lists.

Staff within the Departments of Public Works and General Services have been diligently working together to ensure a smooth transition. The Department of Planning and Building was consulted and provided input regarding Public Works using that department's existing building review process for construction of non-transportation related buildings.

FINANCIAL CONSIDERATIONS

Impacts Already Occurred as a Result of Dissolution of the General Services Agency

The dissolution of the General Services Agency and creation of four independent departments was initially expected to be relatively cost neutral once all necessary organizational changes were made. This proved to be the case, as reported in the 4th quarter of FY 2014-15. At the time of dissolution, 6.00 FTE positions were moved from the former General Services Agency to the Departments of Parks and Recreation and IT. Although the positions were transferred, the personnel-related expenses remained in General Services' budget as a transfer out to Parks and IT. Since the department was unable to bill for the services that the positions would have provided, it experienced a revenue shortfall of \$212,273. In addition, new hires at lower salary steps reduced the average billable rate for architectural services by a total of \$83,671. These revenue shortfalls were partially offset by salary savings, but the end result was an exceedance of General Fund support by \$156,450. However, overall, the General Services Agency dissolution was relatively cost-neutral for FY 2014-15. The reduction in revenue for General Services, as explained above, was roughly equivalent to savings realized for Parks and IT, since those departments had already budgeted expenses for the administrative support they previously received from the Agency.

Over the long-term, actions related to dissolution of the Agency would have a net savings of approximately \$75,000 per year. This is essentially the difference generated by elimination of the General Services Agency director and four deputy director positions, and the addition of four new directors for the new departments that were created.

Impacts as a Result of Dissolution of the Department of General Services

The changes introduced in this Board item are expected to have an additional net cost, primarily attributed to the addition of one Administrative Assistant to the Department of Public Works, and the differences in compensation between one Capital Planning/Facilities Manager and an Engineer IV, and between the Deputy Director of General Services and the Deputy Director of Public Works. The total net cost of these actions are as yet unknown, but will be presented on October 20, 2015. Human Resources is currently reviewing the compensation level for the new Director of Central Services position in comparison to the Director of General Services, so this may also affect the net cost. Specific fiscal impact information and a comprehensive list of position allocation changes will be included in the October 20, 2015 Board item.

RESULTS

This item introduces and sets for hearing the amendment and addition of various County Code sections on October 20, 2015. Approval of the proposed ordinances to amend the County Code will enable the dissolution of the Department of General Services, the creation of a new Department of Central Services, and the transfer of facility maintenance and capital project management related duties to the Department of Public Works, effective 30 days after passage. These

organizational changes are intended to improve the oversight and delivery of capital projects, align the County's infrastructure management under a single department, and focus the role and duties of internal County services.

ATTACHMENTS

1. Ordinance to amend Chapter 2.11 of the County Code - clean version
2. Ordinance to amend Sections 2.11 of the County Code - strikethrough version
3. Ordinance to amend Sections 2.18.040 of the County Code - clean version
4. Ordinance to amend Sections 2.18.040 of the County Code - strikethrough version
5. Ordinance to amend Sections 2.40.060 of the County Code - clean version
6. Ordinance to amend Sections 2.40.060 of the County Code - strikethrough version
7. Ordinance to amend Sections 19.01.030 of the County Code - clean version
8. Ordinance to amend Sections 19.01.030 of the County Code - strikethrough version
9. Organizational Charts (current and proposed)